

**REMARKS**

In this response to the above-identified Office Action, Applicant respectfully requests reconsideration in view of the above amendments and following remarks.

Claims 15 and 16 have been previously withdrawn from consideration.

Claims 17-23 have been withdrawn from consideration.

Claims 1, 2, and 7 have been amended.

No claims have been added or cancelled.

Accordingly, Claims 1-14 are pending in the application.

**Claim Amendments**

Applicant has amended Claims 1, 2 and 7 to address examiner's objections. Applicant respectfully submits that no new matter has been added.

Claim 1, 2, 7 and 17 have also been amended to include the language of "e.storage configured to store the image in corrected form; and f. a damping device configured to damp movement of the image system", and support is found at Page 12, line 13 and page 7, line 19. Applicant respectfully submits that no new matter has been added.

**Claims Rejected Under 35 U.S.C. § 112**

Claims 1, 2 and 7 stand rejected for failing to comply with the written description requirement, where the language "wherein said image sensor, said display, said position sensor, said image transfer memory and said image manipulator are co-located within a single enclosure" and similar language in other claims is purportedly not disclosed in the application as filed. Applicant respectfully disagrees. Paragraph 51 of the application as filed states the following:

[0051] It may be noted that combinations of the above embodiments may be resorted to, to fit particular applications of the invention. For example combinations of operations with memory, image rotation, image resizing, and scan electronics may be practiced from the teachings herein, and any of the signals may be stored, manipulated or operated on in any sequence or in parallel. As another example combined image sensor and display devices may be configured, which devices may sense, display, store, send or receive images in any combination while providing reorientation of images as necessary to ensure appropriately reoriented images are presented to the viewer or sent to other viewers as desired. **In particular the inventor envisions the use of the invention in video cell phones where the phone contains an angular sensor, image sensor, display, memory and associated support circuitry,** wherein images which are sent from the phone are orientation corrected in response to the tilt of the phone when the image is acquired, and images received by the phone for display are oriented in response to the tilt of the phone when displayed. [Emphasis added.]

Thus, the inventor applicant clearly intended that all components possibly be included “in” a mobile phone, which clearly includes a single enclosure, as most every mobile telephone is a single hand-held device. Unlike the cases cited by the Office Action, the invention clearly discloses and describes circuits that are interconnected and configured to perform certain operations. These circuits were clearly intended to be included in a mobile telephone, and the claims are limited as such.

The types of applications that the cases that cover rejections under 112 first paragraph were intended to prevent were applications that describe many components and without any particular combination or permutation, then claimed as specific combinations, such as the chemical claims with unspecified results as discussed in *In re Ruschig*, cited by the examiner. This is not the case here. The claims as amended are limited to the specific circuits as described in the specification, and configured “in” a mobile phone.

Also, regarding orientation, the office action cites the ability of a phone to send images to other phones as an example of the possible use of the invention in separate devices. The amended claims 1, 2 and 7 are not directed to such operation, so the rejection is not relevant in this regard.

Also, Page 18, lines 12-24 clearly disclose the combination of image sensor and orientation sensor, and other sensors

Claims 1, 2 and 7 have also been amended to include the language “ storage configured to store the image in corrected form; and a damping device configured to damp movement of the image system”, which applicant submits obviates the remaining rejections under 35USC112.

Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejections, and allowance of the claims as amended.

**Claims Rejected Under 35 U.S.C. § 103**

To establish a prima facie case of obviousness, the Examiner must show that the cited references, combined, teach or suggest each of the elements of a claim. See *In re Vaeck*, 947 F.2d 488, 20 USPQ.2d 1438 (Fed. Cir. 1991). Further, the combination of elements must be more than the predictable use of prior art elements according to their established functions. See *KSR International Co. v. Teleflex Inc.*, 550 U.S. \_\_\_, 127 S. Ct. 1727 (2007).

Claims 1-9, 13 and 14 stand rejected under 35 U.S.C. 103(a) as allegedly being unpatentable over Thomas in view of Hinckley. Applicant respectfully submits that the new amendments obviate these rejections. The language “storage configured to store the image in corrected form; and a damping device configured to damp movement of the image system” is not suggested or disclosed in either reference in combination with the other elements of these claims. As such, applicant respectfully requests withdrawal of these rejections.

Claims 11 and 12 stand rejected under 35 U.S.C. 103(a) as allegedly being unpatentable over Thomas in view of Hinckley, Ahisha and Riconda. Applicant respectfully submits that the new amendments obviate these rejections. The language “storage configured to store the image in corrected form; and a damping device

configured to damp movement of the image system” is not suggested or disclosed in either reference alone or in combination with the other elements of these claims. As such, applicant respectfully requests withdrawal of these rejections.

Applicant believes that all pending claims are allowable and respectfully requests a Notice of Allowance for this application from the Examiner. Should the Examiner believe that a telephone conference would expedite the prosecution of this application; the undersigned can be reached at the telephone number set out below.

The Commissioner is authorized to charge any additional fees to process this Amendment, or credit any over-payments that may apply, to our Deposit Account No. 50-2421.

Respectfully submitted,

Dated: May 10, 2010

/David R. Stevens/  
David R. Stevens  
Reg. No. 38,626

Stevens Law Group  
1754 Technology Dr., Ste. 226  
San Jose, CA 95110  
Tel (408) 288-7588  
Fax (408) 288-7542